

# Cajon Redevelopment Project

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## Owner Participation Rules

PAC Accepted August 9, 2005

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County of San Bernardino Redevelopment Agency  
215 North "D" Street, Suite 301  
San Bernardino, California 92415-0121



## ***RULES GOVERNING PARTICIPATION AND PREFERENCES FOR OWNERS, OPERATORS OF BUSINESSES AND TENANTS FOR THE CAJON REDEVELOPMENT PROJECT AREA***

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## **TABLE OF CONTENTS**

1.0	GENERAL INTRODUCTION .....	4
2.0	GENERAL DEFINITIONS.....	5
3.0	GENERAL PROCEDURES .....	6
4.0	PARTICIPATION BY OWNER.....	11
5.0	PARTICIPATION BY BUSINESSES AND TENANTS.....	12
6.0	PARTICIPATION AGREEMENTS .....	13
7.0	LIMITATIONS ON ACQUISITION OF PROPERTY BY THE COUNTY OF SAN BERNARDINO REDEVELOPMENT AGENCY .....	14
8.0	PROCEDURE FOR AMENDING PARTICIPATION RULES .....	15

EXHIBIT A – CAJON PROJECT AREA MAP

EXHIBIT B – STATEMENT OF INTEREST

## **1.0 GENERAL INTRODUCTION**

The primary purpose of the Cajon Redevelopment Project is to assist with conditions of physical and economic blight within the project area including structural deterioration, substandard design and layout, lack of parking, and lack of certain public improvements. On November 9, 2004, the Board of Supervisors of San Bernardino County (the "Board") approved and adopted a resolution designating a survey area for study purposes and authorizing the Planning Commission to select a redevelopment project area and to formulate a preliminary plan. As part of the Redevelopment Plan adoption process, the County of San Bernardino Redevelopment Agency (the "CoRDA") has initiated a community outreach program. The first community meeting was held on December 15, 2004, at the PAL Center Meeting Room, 2450 Blake Street in Muscoy, to inform the community, answer questions and gauge public support for the proposed redevelopment effort. Invitation notices to this meeting were mailed to all property owners and tenants within the survey area. Approximately 230 persons attended this meeting.

The entire Project Area includes a predominantly urbanized area with existing land uses comprising of residential, commercial, industrial, public/institutional, agricultural and vacant land uses. Exhibit "A" attached reflects the boundaries of the proposed Cajon Redevelopment ("Project Area"). Redevelopment of the Project Area would attain the goal of the County by alleviating blighting conditions that the private sector and/or agencies of government, acting alone, cannot remedy

The CoRDA desires to put into effect rules for owner participation, which shall be applicable to the Project Area. These "Rules Governing Participation and Preferences for Owners, Operators of Businesses and Tenants" for the Project Area (the "Owner Participation Rules") are promulgated to implement the provisions of the California Community Redevelopment Law (the "CRL"), and the Redevelopment Plan regarding participation by owners, operators of businesses and tenants in the Project Area, and are required pursuant to CRL Section 33345. These Owner Participation Rules set forth the procedures governing such participation in accordance with the Redevelopment Plan for the Project Area.

It is the intention of the CoRDA to encourage and permit participation in the redevelopment of the Project Area by owners, operators of businesses, and tenants residing within the boundaries of the Project Area, to the extent feasible and consistent with the Redevelopment Plan. Participation by individual persons and firms or combinations of persons and firms are permitted and encouraged.

## 2.0 GENERAL DEFINITIONS

The following definitions will be used generally in the context of these Owner Participation Rules, unless otherwise specified herein:

- A. “Business” means a business lawfully operated in the Project Area.
- B. “Business Owner” means the owner of any business.
- C. “County” means the County of San Bernardino, California.
- D. “CoRDA” means the County of San Bernardino Redevelopment Agency.
- E. “County Board of Supervisors or Board of Supervisors” means the legislative body of the County of San Bernardino.
- F. “Displaced Business” means any business displaced as a direct result of redevelopment programs or projects.
- G. “Executive Director” means the person designated by the CoRDA to administer and manage the affairs of the CoRDA.
- H. “Non-Owner” means any person or entity other than an Owner.
- I. “Owner” means any person or entity holding fee title of record to real property in the Project Area.
- J. “Owner Participation Agreement” means an agreement entered into between the CoRDA and an owner of real property, persons engaged in business, or a tenant doing business within the Project Area, in accordance with the provisions of the Plan and the Rules as described herein which contains the specific responsibilities and obligations of each party regarding a specific implementation of property improvements and land use.
- K. “Owner Participation Rules” mean the Rules Governing Participation and Reentry Preferences for Property Owners, Operators of Businesses, and Business Tenants in the Project Area.
- L. “Project” means the Cajon Redevelopment Project.
- M. “Project Area” means the land within the territorial boundaries of the Project.
- N. “Redevelopment Law or the CRL” means the California Community Redevelopment Law (Health and Safety Code Sections 33000 et. seq.).
- O. “Redevelopment Plan or Plan” means the Cajon Redevelopment Plan as it may be adopted, by the Board of Supervisors of the County.
- P. “Tenant” means any person or entity holding a leasehold interest in real property in the Project Area.

### **3.0 GENERAL PROCEDURES**

These Owner Participation Rules have been adopted by the CoRDA specifically to implement the provisions of the Redevelopment Plan for the Project Area regarding participation and the exercise of re-entry preferences for Owners, Operators of Businesses and Tenants within the Project Area. Owners, operators of Businesses and Tenants who are desirous of exercising their participation rights and preferences shall abide by these Owner Participation Rules in exercising their preferences and participation opportunities.

The CoRDA desires and encourages participation in the redevelopment of the Project Area by existing Owners, Operators of Businesses, and Tenants to the extent feasible in best achieving the objectives of the Redevelopment Plan. In view of the pattern of land use and development envisioned by the Redevelopment Plan, Owners, Operators of Businesses and Tenants in the Project Area will be encouraged, when feasible, to take advantage of their participation, re-entry and preference opportunities as described herein. Participation opportunities are, however, necessarily subject to and limited by factors such as the following:

- Removal, relocation expansion, construction and/or installation of public utilities and public facilities.
- The construction, realignment, abandonment, widening, opening or other alteration or elimination of public rights-of-way.
- The elimination and/or modification of some existing uses.
- The qualifications and the ability of participants to finance and complete proposed redevelopment within a reasonable time pursuant to a schedule for performance, with uses and improvements consistent with and in furtherance of the Redevelopment Plan.
- Any aggregation or reparcelization of parcels in the Project Area.
- Any change in orientation or character of the Project Area.
- The requirements of the Redevelopment Plan and applicable rules, regulations, and ordinances of the County.
- Any design guidelines adopted by the CoRDA pursuant to the Redevelopment Plan.
- The assembly and development of areas for public and/or private development in accordance with the Redevelopment Plan, and the necessity to assemble areas for such development.
- The feasibility of the potential participant's proposal.
- The capability and/or experience of a potential participant necessary to implement proposed development, as determined in good faith by the CoRDA.

### **3.1 PRIORITIES AND PREFERENCES AMONG PARTICIPANTS**

If conflicts develop between the desires of participants and developers for particular sites or land uses, the CoRDA is, with consideration of the factors above, authorized to establish reasonable priorities and preferences among the potential participants and developers and to determine a solution by consideration of factors including but not limited to:

1. Length of time in the Project Area.
2. The needs of and desires for redeveloping the Area.
3. Accommodation of as many potential participants as possible.
4. Ability of proposed participants and developers in the Project Area to perform.
5. Compatibility of proposals with land uses in the Project Area.
6. Conformity of proposals with the intent and purpose of the Redevelopment Plan.

Participation, to the extent feasible, shall be available for two or more persons, firms or institutions to join together in partnerships, corporations, or other joint entities. If a conflict develops, the CoRDA shall review the applicable factors and shall make a determination as to which of the competing proposals best meets the objectives of the CRL, the Redevelopment Plan and these Owner Participation Rules. The CoRDA is authorized to make that determination in its subjective judgment.

### **3.2 CRITERIA FOR EVALUATION PROPOSALS SUBMITTED BY PARTICIPANTS**

The CoRDA may, in its discretion, decline any offer or proposal of Owner, Business or Tenant participation, resolve conflicting proposals between Owners, Businesses and Tenants interested in developing their property. Proposals submitted for particular sites or land uses will be appraised by the CoRDA after consideration of the following factors:

1. Conformity of the proposal, including with respect to uses with the Redevelopment Plan and other applicable enactments.
2. Conformity of the proposal with the intent and objectives of the Redevelopment Plan.
3. The degree to which the proposal best furthers the objectives of the Redevelopment Plan.
4. The employment opportunities to the community that can be reasonably expected to result from the implementation of the proposal.
5. Development team qualifications, including experience and financial

capacity to undertake the proposed project, the ability of the person(s) desiring to redevelop the property to implement the proposed project (taking into consideration the proponent's financial capability), prior experience with similar development, degree of site control, ability to obtain financing, ability to abide by CoRDA design standards and development controls, and readiness to proceed.

6. Estimated cost, if any, of County or CoRDA involvement, including the provision of County or CoRDA services, to be required if the proposal is accepted.
7. Removal of blighting conditions within the Project Area and the upgrading of uses.
8. Economic benefits to the community, as determined by a cost/benefit analysis, if the proposal is approved and the proposed development implemented.
9. The likelihood of successful implementation.
10. Time schedule for completion of the proposed project.
11. Involvement of other Project Area Owners, Operators of Businesses or Tenants.
12. Completeness of the proposal, including without limitation land uses, site control, financing capabilities, densities, Tenants and, if applicable, manufacturer or franchise approval.
13. Environmental benefits (or lesser degree of detrimental impact).
14. Quality of design, project concept and architectural design features.

Satisfaction of the above listed criteria can be effected by the submitting party itself, or by a partner or joint venturer. Any such partner or joint venturer must be identified at the time of submittal, and must be authorized to make representations to the CoRDA on behalf of the partnership or joint venturer.

In the event conflicting submittals are received that satisfy the criteria set forth above, the following criteria shall be applied to resolve such conflict:

1. Highest satisfaction of the criteria set forth above.
2. Greatest public benefit.

The CoRDA may receive and consider proposals from persons other than Owners, Businesses or Tenants concurrent with the receipt and consideration of proposals by Owners, Businesses and Tenants. The CoRDA will evaluate all such proposals based upon the criteria set forth in the above section. The CoRDA shall give preference to a proposal by Owners, Businesses and Tenants in the event an Owner, Business or Tenant submits a proposal that fulfills the criteria set forth in the above section to substantially the same extent as that achieved by a proposal submitted by a person other than an Owner, Business or Tenant.



### **3.3 TIME PERIODS FOR PARTICIPATION AND PROCEDURES FOR EVALUATION OF SUBMITTALS**

At any time prior to entering into an agreement with a developer who is not an Owner or a Tenant in the Project Area for the assemblage of a particular site, the CoRDA, will notify all directly affected Owners and Tenants from within the particular site of the Owner Participation Rules. Owners and Tenants so notified will be given an appropriate period of time of thirty (30) calendar days to submit a Statement of Interest in redevelopment of all or a portion of the site. Any Owner or Tenant interested in participating in redeveloping all or a portion of the particular site must submit a Statement of Interest in writing, and in substantially the form of the Statement of Interest which is attached hereto as Exhibit “B” or in such other form as required by the CoRDA. A blank Statement of Interest form shall be attached to the CoRDA’s notification. The CoRDA shall, within ten (10) calendar days after receipt of a Statement of Interest, acknowledge receipt of the Statement of Interest by a confirming letter to the prospective participant. Such written acknowledgment shall not obligate the CoRDA to ultimately reach agreement with the applicant or to reject other proposals for redevelopment of the site.

The CoRDA will make reasonable efforts to accommodate the interested Owners, Businesses, and Tenants desiring to participate in the proposed project. Upon receipt of requests for consideration by Owners or Tenants from within the Project Area with respect to owner participation or re-entry of Businesses within the Project Area, the CoRDA through its staff, will review such submittals as set forth below.

Upon receipt of submittals, initial evaluation shall be conducted by the Executive Director. Each party making a submittal is responsible for the completeness and accuracy of its submittals in accordance with the Executive Director’s requirements. Proposals to participate as Tenants shall include a description of the subject business, a business plan, and such other information as the proponent may deem appropriate or as may be requested by the Executive Director.

In the event that incomplete proposals are submitted which do not comply with the Executive Director’s requirements, such failure to provide the required information may terminate consideration of any such submittal at the Executive Director’s discretion.

Upon receipt of one or more submittals, and additional information as applicable, the Executive Director will evaluate the submittal and make a determination with respect to how the submittal conforms to the criteria set forth in Section 3.0, et seq.

Where the Executive Director deems appropriate, the Executive Director or a staff member will meet with the applicant and discuss the proposal prior to making a determination concerning the proposal. A determination shall be made by the Executive Director within a reasonable period after the receipt of the proposal and the Executive Director shall make its recommendation to the CoRDA Board. The

CoRDA Board, in its consideration of the Executive Director's recommendation, may consider written information submitted by an applicant in response to the Executive Director's recommendation. The CoRDA Board's decision shall be final.

## **4.0 PARTICIPATION BY OWNERS**

### **4.1 PARTICIPATION IN THE SAME LOCATION**

In appropriate circumstances where such action would foster the unified development contemplated by the Redevelopment Plan, an Owner may participate in substantially the same location either by retaining all or portions of its property, or by retaining all or portions of its property and purchasing adjacent property if needed and available for development in accordance with the Redevelopment Plan. An Owner who participates in the same location may be required to rehabilitate or demolish all or part of his existing buildings or the CoRDA may acquire the buildings and remove or demolish such buildings.

Where a proposal to participate in the same location involves a property in good condition, but with an existing use which does not conform to the provisions of the Redevelopment Plan, the CoRDA may allow such use to continue provided that such use is generally compatible with the permitted uses in the area. In order to remain in the Project Area with a nonconforming use, the Owner must agree to the imposition of such reasonable restrictions as are necessary to protect the permitted uses in the remainder of the Project Area.

The final decision concerning acquisition of real property by the CoRDA will be based upon the conditions existing at the time the CoRDA purchases property or enters into Participation Agreements.

### **4.2 PARTICIPATION IN A DIFFERENT LOCATION**

When necessary to accomplish the objectives of the Redevelopment Plan, the CoRDA may purchase property from existing Owners within the Project Area. The CoRDA may thereafter offer for sale or lease such property and/or consider using the property for public use. The CoRDA may receive and consider proposals from persons other than Owners or Tenants concurrent with the receipt and consideration of proposals by Owners and Tenants. The CoRDA will evaluate all such proposals based upon the criteria set forth in Section 3.2.

## **5.0 PARTICIPATION BY BUSINESSES AND TENANTS**

Pursuant to these Owner Participation Rules, Businesses or Tenants in the Project Area will be given a reasonable opportunity to remain or preferences to re-enter elsewhere within the Project Area, if they otherwise meet the requirements prescribed by the Redevelopment Plan and these Owner Participation Rules. In the case of re-entry, preferences will be given if suitable facilities become available with implementation of the Redevelopment Plan. The decision to provide a preference for the re-entry of a Business or Tenant will depend, in part, upon the ability of the Business or Tenant to participate on the basis proposed, including such factors as the ability to pay the requisite rent, the suitability of the proposed tenancy for the development under consideration, readiness to proceed, and those other factors as generally set forth in Section 3.2.

## **6.0 PARTICIPATION AGREEMENTS**

Each Owner, Business or Tenant who has submitted a proposal for participation which is accepted by the CoRDA Board pursuant to the requirements of these Owner Participation Rules shall enter into a Participation Agreement with the CoRDA. Each Participation Agreement will contain provisions necessary to ensure that the participation proposal will be carried out, and that the subject property will be developed and/or rehabilitated and used in accordance with the conditions, restrictions, rules and regulations of the Redevelopment Plan and the subject Participation Agreement. Each Participation Agreement will require the participant to join in the recordation of such documents as the CoRDA may require in order to ensure conformance with applicable laws, conditions, restrictions, rules and regulations.

A Participation Agreement may provide that if the Owner, Business or Tenant does not comply with the terms of the Participation Agreement, the CoRDA, in addition to other remedies, may acquire their property or any interest therein by any lawful means. The CoRDA may thereafter dispose of the property or interest so acquired in accordance with the Redevelopment Plan. All Participation Agreements will become effective only when approved by the CoRDA Board.

## **7.0 LIMITATIONS ON ACQUISITION OF PROPERTY BY THE COUNTY OF SAN BERNARDINO REDEVELOPMENT AGENCY**

The CoRDA shall not acquire real property to be retained by a participant pursuant to a Participation Agreement if the participant fully performs under the Participation Agreement.

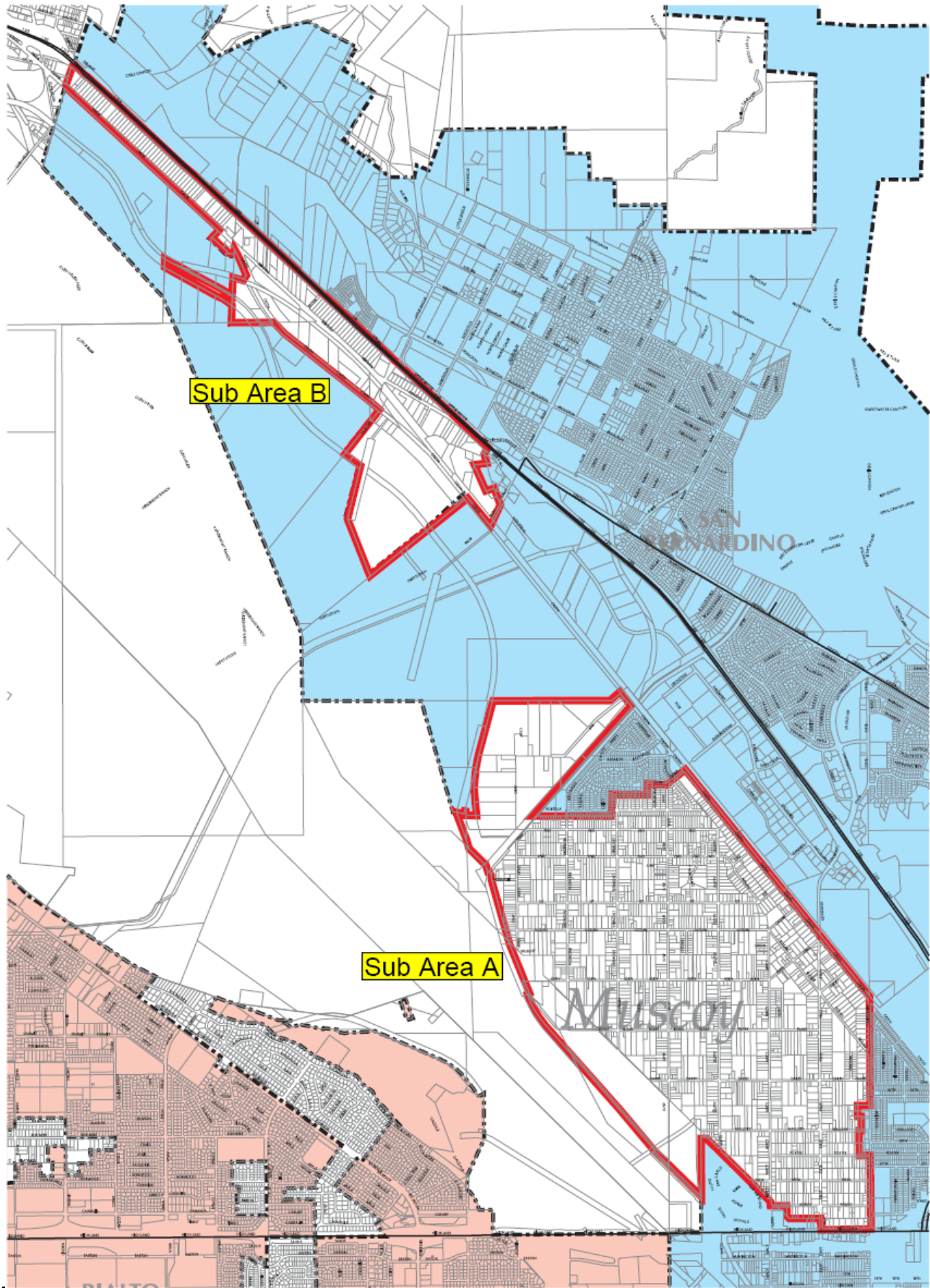
## **8.0 PROCEDURE FOR AMENDING PARTICIPATION RULES**

These Owner Participation Rules shall be subject to review and amendment by the CoRDA from time to time upon adoption of a resolution so providing.

**EXHIBIT A**  
**PROPOSED CAJON PROJECT**  
**AREA MAP**



Rules Governing Participation and Preferences for Owners,  
Operators of Businesses and Tenants for the Cajon Redevelopment Project Area



**EXHIBIT B**

**Statement of Interest in Participation**

## CAJON REDEVELOPMENT PROJECT AREA STATEMENT OF INTEREST IN PARTICIPATION

I hereby express my interest in participating in the Cajon Redevelopment Project Area (the "Project Area"), and submit the following information:

1. Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

2. Home Address: \_\_\_\_\_

3. Name of Business: \_\_\_\_\_

4. Address of Business: \_\_\_\_\_

5. My present involvement in the Project Area is (please check where applicable):

I now own (\_\_\_\_); am a Tenant (\_\_\_\_); and wish to rehabilitate (\_\_\_\_); build (\_\_\_\_); sell (\_\_\_\_) my present property.

If Tenant, indicate: month-to-month (\_\_\_\_); lease (\_\_\_\_); term of lease: \_\_\_\_\_; expiration date of lease: \_\_\_\_\_. Options extend lease to \_\_\_\_\_.

If lease, is there an option to purchase? Yes (\_\_\_\_); No (\_\_\_\_).

Comments: \_\_\_\_\_

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6. I am interested in participating:

As a Property Owner (\_\_\_\_); As a Tenant (\_\_\_\_);

Other (please describe): \_\_\_\_\_

7. My present type of business is: \_\_\_\_\_

8. If I participate:

I would like to continue at the same location (\_\_\_\_\_)

I would like to change my present location (\_\_\_\_\_)

I would like to acquire real property for expansion (indicate approximate location requirements)

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9. Background, experience, and information concerning your proposal (you may include further information on this page or attach additional sheets if you desire to do so):

(a) Generally describe background and experience: \_\_\_\_\_

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(b) Describe the activities you propose and indicate your experience relevant to your proposal:

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(c) If you enclose a business plan or construction and operating proforma relative to your proposed activity, these will be considered with your Statement of Interest.

ADDITIONAL REMARKS:

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10. I understand that submission of this Statement of Interest does not in any way obligate me to participate in the Project.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title (if applicable): \_\_\_\_\_

Dated: \_\_\_\_\_

**RETURN WITHIN 30 DAYS TO:**

County of San Bernardino Redevelopment Agency  
215 N. "D" Street, Suite 301  
San Bernardino, California 92415